

Washington, Wednesday, July 3, 1940

The President

EXECUTIVE ORDER

REGULATIONS GOVERNING CERTIFICATIONS
OF THE SECRETARY OF WAR AND THE
SECRETARY OF THE NAVY WITH RESPECT TO SPECIAL ADDITIONAL EQUIPMENT AND FACILITIES REQUIRED TO
FACILITATE CONSTRUCTION OF NAVAL
VESSELS AND ARMY AND NAVY AIRCRAFT

By virtue of and pursuant to the authority vested in me by section 4 of the Act of June 28, 1940 (Public, No. 671, 76th Cong., 3d sess.), and as President of the United States, I hereby prescribe the following regulations governing certifications to the Commissioner of Internal Revenue by the Secretary of War or the Secretary of the Navy as to the percentage of cost of special additional equipment and facilities to be charged against a contract or subcontract for the construction or manufacture of any complete naval vessel or Army or Navy aircraft or any portion thereof:

- (1) As used in these regulations the
- (a) "Secretary of the Department concerned" means the Secretary of War or the Secretary of the Navy as the case may be.
- (b) "Contracting party" means the contractor or subcontractor as the case may be.
- (2) No certification under the provisions of section 4 of the Act of June 28, 1940 (Public, No. 671, 76th Cong., 3d sess.) shall be made, in the case of any contract or subcontract or any contract or subcontract as modified, to the Commissioner of Internal Revenue by the Secretary of the Department concerned (and any certification made shall be ineffective) unless all the requirements of these regulations are met.
- (3) Before a certification is made to the Commissioner of Internal Revenue, the contracting party shall file with the Secretary of the Department concerned a request for certification. Such request for certification shall—

(a) Specify and itemize the special
additional equipment and facilities ac-
quired (or to be acquired) to facilitate,
during the national emergency declared
by the President on September 8, 1939
to exist, the completion of any complete
naval vessel or Army or Navy aircraft
or any portion thereof.

(b) State the necessity and cost (or estimated cost) of each item of such equipment and the percentage of cost of each such item which the contracting party proposes to charge against the contract or subcontract; and

(c) State the action which the contracting party proposes to take in order that there shall be a compliance with the provisions of paragraph (6) of these regulations. If the request for certification is filed in the case of a subcontract or proposed subcontract, it shall be accompanied by a copy of such subcontract or proposed subcontract.

(4) Such a request for certification shall be filed by the contracting party prior to the 60th day after the close of the contracting party's first income taxable year within which is completed a contract or subcontract with respect to which the particular request for certification is made.

(5) On or before the date on which such request for certification is filed with the Secretary of the Department concerned, the contracting party shall file with the Commissioner of Internal Revenue at least three copies of such request for certification, together with at least three copies of excerpts of all such provisions of the contract, subcontract, or proposed contract or subcontract as are pertinent to such request for certification,

- (6) No certification shall be made to the Commissioner of Internal Revenue with respect to any special additional equipment and facilities unless adequate measures have been taken by the Secretary of the Department concerned—
- (a) To protect the interest of the Government in such special additional equipment and facilities, the cost, or portion of the cost, of which is borne by the Government and is chargeable

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against the contract or subcontract in | accordance with the provisions of section 4 of the above-mentioned Act; and

(b) To provide that throughout the useful life of such special additional equipment and facilities the Government shall be given priority in the use thereof and that such special additional equipment and facilities shall be preserved for national defense purposes.

(7) The certification to the Commissioner of Internal Revenue in the case of any contract or subcontract may be made at any time prior to the 180th day after the close of the contracting party's income taxable year within which the contract or subcontract is completed, or prior to such later time as may be specified by the Commissioner of Internal Revenue, but no certification shall be made in the case of any contract or subcontract unless a certification has been made on all contracts or subcontracts previously completed on which the special additional equipment and facilities were used.

(8) Every certification made to the Commissioner of Internal Revenue by the Secretary of the Department concerned shall be executed in triplicate

and shall-

(a) Specify and itemize the special additional equipment and facilities acquired (or to be acquired) to facilitate, during the national emergency declared by the President on September 8, 1939 to exist, the completion of any complete naval vessel or Army or Navy aircraft or any portion thereof;

(b) State the necessity and cost (or estimated cost) of each item of such equipment and facilities, and the percentage of cost of each such item to be charged against the contract or subcontract;

(c) Describe the measures which have been taken by the Secretary of the Department concerned to effect a compliance with the provisions of paragraph (6) of these regulations; and

(d) Contain, or be accompanied by, the contracting party's agreement to such certification.

(9) The Secretary of the Department concerned and the Commissioner of Internal Revenue may issue joint rules for the administration of section 4 of the above-mentioned Act and this Executive Order.

FRANKLIN D ROOSEVELT THE WHITE HOUSE, June 29, 1940.

[No. 8465]

(F. R. Doc. 40-2725; Filed, July 1, 1940; 3:43 p. m.1

Rules, Regulations, Orders

TITLE 8-ALIENS AND CITIZENSHIP

CHAPTER I-IMMIGRATION AND NATURALIZATION SERVICE

[Order No. 3888]

DELEGATION OF POWERS AND DEFINITION OF DUTIES

JULY 1, 1940.

By virtue of the authority vested in me by section 161 of the Revised Statutes, as amended (5 U.S.C. § 22); section 360 of the Revised Statutes (5 U.S.C. § 311): and section 37 (a) of the Act of June 29, 1940, and by virtue of all other authority vested in me, it is ordered:

1. Under the general direction of the Attorney General, the Special Assistant to the Attorney General in charge of the Immigration and Naturalization Service (hereinafter called the Special Assistant in Charge) shall supervise and direct the administration of the Immigration and Naturalization Service and, subject to the limitation of other provisions of this order, shall have authority to exercise all powers of the Attorney General and of the Commissioner of Immigration and Naturalization relating to the administration of that Service.

2. Subject to the provisions of Paragraphs 3 and 4 of this order, the Board of Review of the Immigration and Naturalization Service shall have authority to exercise the powers of the Attorney

General:

(a) To issue orders of deportation after proceedings in accordance with law and regulations; to order the cancellation of warrants of arrest issued in such proceedings, and in connection with orders of deportation or cancellation to exercise such of the discretion conferred upon the Attorney General by law as is appropriate to the disposition of deportation proceedings;

(b) To consider and determine appeals from decisions of boards of special inquiry in exclusion cases and to exercise such of the discretion conferred upon the Attorney General by law as is appropriate to the disposition of such appeals;

(c) To consider and determine all cases of fines and penalties against steamship companies or other carriers for violations

of the immigration laws;

(d) To consider and determine all cases of application for advance authority for admission of aliens under the Seventh and Ninth Provisos of Section 3 of the Immigration Act of 1917.

3. A single member of the Board of Review shall have authority to exercise the powers of the Attorney General in

any of the cases enumerated in Paragraph 2 in which no exception has been filed to the proposed action of the Service. In all other cases decision shall be by a majority of the Board; and the decision of the Board shall be evidenced by the signature of its Chairman. Whenever any member of the Board shall disagree with the majority, he shall record his dissent.

- 4. In any case in which the Board of Review cancels a warrant of arrest in deportation proceedings or holds admissible to the United States any alien whom a board of special inquiry has excluded; in any case in which a dissent has been recorded; or in any case in which the Board shall certify that a question of difficulty is involved, the Special Assistant in Charge shall refer the case with his recommendation to the Attorney General for decision. In any case in which the Attorney General shall reverse or modify the order of the Board of Review, he will state in writing the reasons for his decision.
- 5. Subject to the provisions of Paragraph 8 of this order, the Deputy Commissioner in charge of the Legal Branch (or under his direction, the Chief of the Examining Division of the Legal Branch) shall have authority after proceedings in accordance with law and regulations to exercise the powers of the Attorney General or of the Commissioner of Immigration and Naturalization in connection with the following matters:
- (a) Extensions of temporary admission:
- (b) Applications for permission to reapply after exclusion, deportation, or removal on account of distress;
- (c) Applications to import contract labor, including student labor;
- (d) Applications for certificates of derivative citizenship;
- (e) Applications for exemption from loss of residence for naturalization purposes (Act of June 25, 1936, as amended):
- (f) Applications for copies of immigration and naturalization records, or for information therefrom:
 - (g) Amtorg cases;
- (h) Approval of emergency actions of field officers;
- (i) Approval and cancellation of bonds given under the provisions of the immigration laws;
- (j) Change of status from one nonimmigrant class to another or from a non-immigrant class to a student;
- (k) Amendment or endorsement of records of entry to show true status;
- (1) Cancellation of registry fraudulently or illegally procured (Act of March 2, 1929, as amended);
- (m) Cancellation of certificates of naturalization;
- (n) Judicial appeals in naturalization cases;
- (0) Determinations as to prosecutions and nol prossing of criminal cases aris- of schools for such students;

- any of the cases enumerated in Paraling under the immigration or naturali-
 - (p) Making recommendations when requested as to pardons;
 - (q) Preparation and signature of all orders or letters incident to the execution of the foregoing functions.
 - 6. Subject to the provisions of Paragraph 8 of this order, the Chief of the Warrant Branch (or under his direction, the Assistant Chief of the Warrant Branch) shall have authority to exercise the powers of the Attorney General or of the Commissioner of Immigration and Naturalization in the following matters:
 - (a) To issue warrants of arrest under the laws relating to immigration, exclusion, and expulsion of aliens;
 - (b) To issue warrants of deportation pursuant to orders of deportation made in accordance with the provisions of this order:
 - (c) To stay the execution of a warrant of deportation: *Provided, however*. That no stay beyond six months from the date of the issuance of such warrant shall be granted without approval by the Special Assistant in Charge:
 - (d) To extend for not more than six months the period within which an alien has been permitted by the Board of Review to depart without issuance of a warrant;
 - (e) To order the deportation of an alien seaman on a vessel other than the one on which he arrived under Section 20 (c) of the Immigration Act of 1924;
 - (f) To permit an alien arrested in deportation proceedings or ordered to be deported to depart at his own expense, or to ship foreign one way as a seaman:
 - (g) To suspend the deportation of excluded aliens needed as witnesses in criminal prosecutions as provided in Section 18 of the Immigration Act of 1917;
 - (h) To authorize and effect the removal of indigent aliens pursuant to Section 23 of the Immigration Act of 1917, as amended:
 - (i) To issue authorizations for the voluntary repatriation of Filipinos under the Filipino Repatriation Act of July 10, 1935:
 - (j) To certify records or parts of records for use in court or other proceedings:
 - (k) To prepare and sign all orders or letters incident to the execution of the foregoing functions,
 - 7. Subject to the provisions of Paragraph 8 of this order, the Chief of the Registry and Naturalization Branch, hereafter to be known as the Certifications Branch, (or under his direction, the Assistant Chief of the Certifications Branch), shall have authority to exercise the powers of the Attorney General or of the Commissioner of Immigration and Naturalization in the following matters:
 - (a) All matters arising under the provisions of the immigration laws relating to alien students, including the approval of schools for such students;

- (b) Approval of applications for reentry permits, the issuance of such permits, and extensions thereof;
- (c) Determination of nonquota or preference quota status:
- (d) Revocation of nonquota or preference status previously granted:
- (e) Issuance of special certificates of citizenship:
- (f) Issuance of certificates of derivative citizenship after approval of application in accordance with the provisions of this order:
- (g) Issuance of new papers in lieu of papers lost, mutilated or destroyed or in a changed name:
- (h) Grant or denial of registry under the Act of March 2, 1929, as amended;
- (i) Verifications of entry or of information from official records concerning arrival, including issuance of certificates of arrival;
- (j) Preparation and signature of all orders or letters incident to the execution of the foregoing functions.
- 8. The Deputy Commissioner in charge of the Legal Branch, the Chief of the Warrant Branch, and the Chief of the Certifications Branch shall exercise the authority herein conferred under the direction and supervision of the Special Assistant in Charge. In all cases in which any of them shall be in doubt as to the construction of applicable law or as to the proper principle governing the exercise of discretion, he shall refer the matter to the Special Assistant in Charge who shall either advise him as to the appropriate decision, make decision in his own name, or refer the matter to the Attorney General for decision.
- 9. All rules and regulations, general orders, circular instructions and Central Office memoranda hereafter issued shall be signed or countersigned by the Special Assistant in Charge; and all such documents which are to be published in the Federal Register shall, in addition, be signed by the Attorney General.

10. The authority previously vested in Albert E. Reitzel, or in his absence in Bart W. Butler, Special Assistants to the Attorney General, by the orders of June 14, 1940 and June 20, 1940, is hereby revoked.

11. Nothing in this order shall affect the authority of field officers of the Immigration and Naturalization Service under regulations, orders or instructions now in force.

FRANCIS BIDDLE,
Acting Attorney General.

[F. R. Doc. 40-2726; Filed, July 1, 1940; 4:10 p. m.]

TITLE 15-COMMERCE

CHAPTER III—BUREAU OF FOREIGN AND DOMESTIC COMMERCE

[Order No. 35]

PART 305-FOREIGN TRADE STATISTICS

Section 305.30 (Manifests of vessels; shippers' declaration; clearance) is

ing subsection:

(d) 1. When a new vessel built in the United States for foreign account clears under a certificate of record (Commerce Form 1316), a shipper's export declaration must be furnished by the agents or prepared by the Collector for statistical purposes.

2. A shipper's export declaration should likewise be furnished for an American vessel sold foreign upon her first departure from the United States unless the vessel is sold while in a foreign port or place or at sea, in which event the export declaration should be filed at the time the sale is made with the Collector at the port from which the vessel last cleared.

This amendment is effective immedi-

(R.S. 161, 5 U.S.C. 22, R.S. 335 as amended, 15 U.S.C. 176, R.S. 336 as amended, 15 U.S.C. 173, and R.S. 337 as amended, 15 U.S.C. 174; also 27 Stat. 197 as amended 15 U.S.C. 177)

EDWARD J. NOBLE, Acting Secretary of Commerce. JUNE 21, 1940.

[F. R. Doc. 40-2744; Filed, July 2, 1940; 11:47 a. m.]

[Order No. 36]

PART 305-FOREIGN TRADE STATISTICS

Section 305.46 is amended to read as follows:

§ 305.46 Shipment of furniture, supplies, equipment owned by Government Offices and Employees. (a) No export declarations are required for shipments of office furniture, equipment, and supplies, household goods and personal property shipped by United States Government offices or employees to United States offices or employees in foreign countries or noncontiguous territories for their exclusive use, or for shipments of books, maps, charts, and pamphlets made by United States Government offices to foreign libraries or Government establishments, or for shipment of military and naval supplies and equipment for the use of United States military and naval forces abroad, or for supplies, equipment, and other merchandise shipped to United States Government agencies or establishments.

This amendment is effective immediately.

(R.S. 161, 5 U.S.C. 22, R.S. 335 as amended, 15 U.S.C. 176, R.S. 336 as amended, 15 U.S.C. 173, and R.S. 337 as amended, 15 U.S.C. 174; also 27 Stat. 197 as amended 15 U.S.C. 177)

EDWARD J. NOBLE, Acting Secretary of Commerce. JUNE 21, 1940.

[F. R. Doc. 40-2745; Filed, July 2, 1940; 11:47 a. m.]

CHAPTER I-FEDERAL TRADE COMMISSION

[Docket No. 4041]

IN THE MATTER OF CROWN DISTRIBUTING COMPANY ETC.

§ 3.99 (b) Using or selling lottery devices-In merchandising. Supplying, etc., in connection with offer, etc., in commerce, of radios, cameras and pen and pencil sets or other merchandise, others with any merchandise, together with punch boards, push or pull cards, or other lottery devices, which said punch boards, push or pull cards or other lottery devices are to be, or may be, used in selling or distributing such merchandise to the public, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Crown Distributing Company etc., Docket 4041, June 18, 1940]

§ 3.99 (b) Using or selling lottery devices-In merchandising. Supplying, etc., in connection with offer, etc., in commerce, of radios, cameras and pen and pencil sets or other merchandise. others with punch boards, push or pull cards or other lottery devices, either with assortments of merchandise or separately, which said punch boards, push or pull cards or other lottery devices are to be, or may be, used in selling or distributing said merchandise to the public, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Crown Distributing Company etc., Docket 4041, June 18,

§ 3.99 (b) Using or selling lottery devices-In merchandising. Selling, etc., in connection with offer, etc., in commerce, of radios, cameras and pen and pencil sets or other merchandise, any merchandise by the use of push or pull cards, punch boards or other lottery devices, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Crown Distributing Company etc., Docket 4041, June 18, 1940]

IN THE MATTER OF MARVIN ALAN KOOLISH, INDIVIDUALLY AND TRADING AS CROWN DISTRIBUTING COMPANY AND CROWN SALES COMPANY

ORDER TO CEASE AND DESIST

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 18th day of June, A. D. 1940.

This proceeding having been heard 1 by the Federal Trade Commission upon the complaint of the Commission and the answer of respondent, in which answer respondent admits all the material allegations of fact set forth in said complaint, and states that he waives all

amended by the addition of the follow- | TITLE 16-COMMERCIAL PRACTICES | intervening procedure and further hearing as to said facts, and the Commission having made its findings as to the facts and conclusion that said respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered. That the respondent. Marvin Alan Koolish, individually and trading as Crown Distributing Company and Crown Sales Company, or trading under any other name or names, his representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of radios, cameras and pen and pencil sets, or any other merchandise in commerce, as commerce is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Supplying to or placing in the hands of others any merchandise together with punch boards, push or pull cards, or other lottery devices, which said punch boards, push or pull cards or other lottery devices are to be used or may be used in selling or distributing such merchandise to the public;

(2) Supplying to or placing in the hands of others punch boards, push or pull cards or other lottery devices, either with assortments of merchandise or separately, which said punch boards, push or pull cards or other lottery devices are to be used or may be used in selling or distributing said merchandise to the

(3) Selling or otherwise disposing of any merchandise by the use of push or pull cards, punch boards or other lottery devices.

It is further ordered, That the respondent shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON, Secretary.

[F. R. Doc. 40-2736; Filed, July 2, 1940; 10:46 a. m.]

[Docket No. 3165]

IN THE MATTER OF SPORS COMPANY

§ 3.6 (a) (12) Advertising falsely or misleadingly—Business status, advantages or connections of advertiser-Importer: § 3.6 (a) (21) Advertising falsely or misleadingly—business status, advantages or connections of advertiser -Plant and equipment: § 3.6 (a) (22) Advertising falsely or misleadingly-Business status, advantages or connections of advertiser-Producer status of dealer or seller-Manufacturer. Using, in connection with offer, etc., in commerce, of food, drugs, cosmetics and other merchandise, including household notions and other novelties, the term "Wholesale

¹⁵ F.R. 1657.

Importers and Manufacturers" or any other term of similar import or meaning, to describe the character of respondent's business operations, except in connection with such items of merchandise as are actually manufactured or directly imported by respondent, or representing, in said connection, that all of the items of merchandise offered for sale by respondent are imported or manufactured by him, or that any designated item of merchandise offered for sale by the respondent is imported or manufactured by the respondent, when such item of merchandise has not been in fact so imported or manufactured by the respondent, or, by means of pictorial representations or otherwise, that respondent's place of business is higher, larger or more spacious than is the fact. prohibited. Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Spors Company, Docket 3165, June 19, 1940]

§ 3.99 (b) Using or selling lottery devices—In merchandising. Selling, etc., in connection with offer, etc., in commerce, of food, drugs, cosmetics and other merchandise, including household notions and other novelties, any merchandise so packed and assembled that sales of such merchandise to the general public are to be, or may be, made by means of a game of chance, gift enterprise or lottery scheme, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 4, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Spors Company, Docket 3165, June 19, 1940]

§ 3.99 (b) Using or selling lottery devices - In merchandising. Supplying, etc., in connection with offer, etc., in commerce, of food, drugs, cosmetics and other merchandise, including household notions and other novelties, others with any merchandise together with punchboards, push or pull cards, or other lottery devices, which said punchboards, push or pull cards or other lottery devices are to be, or may be, used in selling or distributing such merchandise to the public, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Spors Company, Docket 3165, June 19, 1940]

§ 3.99 (b) Using or selling lottery devices-In merchandising. Supplying, etc., in connection with offer, etc., in commerce, of food, drugs, cosmetics and other merchandise, including household notions and other novelties, others with punchboards, push or pull cards or other lottery devices, either with assortments of any merchandise or separately, which said punchboards, push or pull cards or other lottery devices are to be, or may be, used in selling or distributing said merchandise to the public, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Spors Company, Docket 3165, June 19, 1940]

§ 3.99 (b) Using or selling lottery devices—In merchandising. Selling, etc., in connection with offer, etc., in commerce, of food, drugs, cosmetics and other merchandise, including household notions and other novelties, any merchandise by means of a game of chance, gift enterprise or lottery scheme, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Spors Company, Docket 3165, June 19, 1940]

IN THE MATTER OF FRANK SPORS, TRADING AS SPORS COMPANY

ORDER TO CEASE AND DESIST

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 19th day of June, A. D. 1940.

This proceeding having been heard 1 by the Federal Trade Commission upon the complaint of the Commission, the answer of the respondent, testimony and other evidence taken before A. F. Thomas, an examiner of the Commission theretofore duly designated by it, in opposition thereto, briefs filed herein and oral argument of Merle P. Lyon, counsel for the Commission, and Edwin C. Kraus, counsel for the respondent, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of the Federal Trade Commission Act;

It is ordered, That the respondent, Frank Spors, individually and trading as Spors Company, or trading under any other name or names, his agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution in commerce as "commerce" is defined in the Federal Trade Commission Act, of food, drugs, cosmetics and other merchandise, including household notions and other novelties, do forthwith cease and desist from:

(1) Using the term "Wholesale Importers and Manufacturers" or any other term of similar import or meaning, to describe the character of respondent's business operations, except in connection with such items of merchandise as are actually manufactured or directly imported by respondent;

(2) Representing that all of the items of merchandise offered for sale by respondent are imported or manufactured by him, or that any designated item of merchandise offered for sale by the respondent is imported or manufactured by the respondent, when such item of merchandise has not been in fact so imported or manufactured by the respondent:

(3) Representing, by means of pictorial representations or otherwise, that respondent's place of business is higher, larger or more spacious than is the fact; (4) Selling and distributing any merchandise so packed and assembled that sales of such merchandise to the general public are to be made or may be made by means of a game of chance, gift enterprise or lottery scheme;

(5) Supplying to or placing in the hands of others, any merchandise together with punchboards, push or pull cards, or other lottery devices which said punchboards, push or pull cards or other lottery devices are to be used or may be used in selling or distributing such merchandise to the public;

(6) Supplying to or placing in the hands of others, punchboards, push or pull cards or other lottery devices either with assortments of any merchandise, or separately, which said punchboards, push or pull cards or other lottery devices are to be used or may be used in selling or distributing said merchandise to the public:

(7) Selling or otherwise disposing of any merchandise by means of a game of chance, gift enterprise or lottery scheme,

It is further ordered, That the respondent shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which he has complied with the order.

By the Commission.

[SEAL]

OTIS B. JOHNSON, Secretary.

[F. R. Doc. 40-2731; Filed, July 2, 1940; 10:45 a. m.]

[Docket No. 3363]

IN THE MATTER OF ZONITE PRODUCTS
CORPORATION

§ 3.6 (b) (2) Advertising falsely or misleadingly-Competitors and their products-Competitors' products: § 3.48 (b) (5) Disparaging competitors and their products - Goods - Performance: § 3.48 (b) (8) Disparaging competitors and their products-Goods-Results. Representing, in connection with offer. etc., in commerce, of respondent's "Larvex" or other product sold as moth repellent or mothproofing agent, that moth balls, cedar oil, tar, and other competitive products containing pyrethrum, naphthalene or paradichlorobenzene will not protect fabrics and garments from damage by moth worms or larvae, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Zonite Products Corporation, Docket 3363, June 19, 1940]

ORDER TO CEASE AND DESIST

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 19th day of June, A. D. 1940.

This proceeding having been heard by the Federal Trade Commission upon

¹³ F.R. 1095.

¹³ F.R. 1420.

the complaint of the Commission, the stipation, acid or sour stomach, gas, answer of respondent, testimony and other evidence taken before John W. Addison and Miles J. Furnas, examiners of the Commission theretofore duly designated by it, in support of the allegations of said complaint and in opposition thereto, briefs filed herein, and oral arguments by Joseph C. Fehr, counsel for the Commission, and by Horace G. Hitchcock, counsel for the respondent, and the Commission having made its findings as to the facts and its conclusions that said respondent has violated the provisions of the Federal Trade Commission Act;

It is ordered, That the respondent, Zonite Products Corporation, its officers, representatives agents and employees. directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of its product now sold and distributed under the name "Larvex" or any other product, whether sold under that name or some other name, sold as a moth repellent or mothproofing agent in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing that moth balls, cedar oil, tar, and other competitive products containing pyrethrum, naphthalene or paradichlorobenzene will not protect fabrics and garments from damage by moth worms or larvae.

It is further ordered, That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with this order.

By the Commission.

[SEAL]

OTIS B. JOHNSON, Secretary.

[F. R. Doc. 40-2730; Filed, July 2, 1940; 10:44 a. m.]

[Docket No. 3595]

IN THE MATTER OF GARDNER REMEDIES, INC.

§ 3.6 (t) Advertising falsely or misleadingly-Qualities or properties of product: § 3.6 (x) Advertising falsely or misleadingly - Results. Disseminating, etc., in connection with offer, etc., of respondent's "Gardner's Food Herbs" or other similar medicinal preparation. any advertisements by means of the United States mails, or in commerce, or by any means, to induce, etc., directly or indirectly, purchase in commerce, etc., of respondent's said preparation, which advertisements represent, directly or through inference, that said preparation is a cure or remedy for, or that it possesses any substantial therapeutic value in the treatment of, hyperacidity or excess acid, acidosis, rheumatism, kidney disorders, liver disorders, stomach disorders, stomach ulcers, indigestion, con-

heartburn, colitis, dizziness, abnormal kidney functions, backache, swelling of the ankles, soreness in the region of the kidneys, soreness or stiffness in the cords or muscles of the neck, hives, skin rashes, heart pains, shortness of breath, high or low blood pressure, or sleeplessness, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Gardner Remedies, Inc., Docket 3595, June 19, 1940]

ORDER TO CEASE AND DESIST

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 19th day of June, A. D. 1940.

This proceeding having been heard 1 by the Federal Trade Commission upon the complaint of the Commission, the answer of the respondent, testimony and other evidence taken before John J. Keenan, Examiner of the Commission theretofore duly designated by it, in support of the allegations of said complaint and in opposition thereto, brief in support of the complaint (no brief having been filed on behalf of respondent and oral argument not having been requested), and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of the Federal Trade Commission Act;

It is ordered, That the respondent, Gardner Remedies, Inc., a corporation, its officers, agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of its medicinal preparation designated "Gardner's Food Herbs", or any other medicinal preparation composed of substantially similar ingredients or possessing substantially similar properties, whether sold under the same name or under any other name, do forthwith cease and desist from directly or indirectly:

1. Disseminating or causing to be disseminated any advertisement (a) by means of the United States mails, or (b) by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, which advertisements represent, directly or through inference. that said preparation is a cure or remedy for, or that it possesses any substantial therapeutic value in the treatment of, hyperacidity or excess acid, acidosis, rheumatism, kidney disorders, liver disorders, stomach disorders, stomach ulcers, indigestion, constipation, acid or sour stomach, gas, heartburn, colitis, dizziness, abnormal kidney functions, backache, swelling of the ankles, soreness in the region of the kidneys, soreness or stiffness in the cords or muscles of the neck, hives, skin rashes, heart pains, shortness of breath, high or low blood pressure, or sleeplessness;

14 FR. 2191.

2. Disseminating or causing to be disseminated any advertisement by any means for the purpose of inducing, or which is likely to induce, directly or indirectly, the purchase in commerce, as "commerce" is defined in the Federal Trade Commission Act, of said preparation, which advertisements contain any of the representations prohibited in Paragraph 1 hereof.

It is further ordered, That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

By the Commission.

[SEAL]

OTIS B. JOHNSON. Secretary.

[F. R. Doc. 40-2732; Filed, July 2, 1940; 10:45 a. m.]

[Docket No. 3786]

IN THE MATTER OF WESTMINSTER TIRE CORPORATION

§ 3.66 (a7) Misbranding or mislabeling-Composition: § 3.66 (c20) Misbranding or mislabeling-Manufacture. Representing, directly or indirectly, in connection with offer, etc., in commerce, of pneumatic automobile and truck tires, by means of letters, words, figures, markings, insignia or brands appearing in price lists, or on tire wrappings, or on tires, or in any other way, that the automobile and truck tires sold by the respondent contain more plies in their construction than they actually contain, or that the construction of respondent's tires or the materials therein contained are other than the actual construction and materials contained in said tires, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Westminster Tire Corporation, Docket 3786, June 19, 1940]

ORDER TO CEASE AND DESIST

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 19th day of June, A. D. 1940.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and a stipulation as to the facts entered into the record herein between counsel for the respondent and counsel for the Commission, which provides, among other things, that without further evidence, or other intervening procedure, the Commission may issue and serve upon the respondent herein findings as to the facts and conclusion based thereon and an order disposing of the proceeding, and the Commission having made its findings as to the facts and conclusion that said respondent has violated the provisions of the Federal Trade Commission Act;

¹⁴ F.R. 2724.

It is ordered, That the respondent, Westminster Tire Corporation, a corporation, its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of pneumatic automobile and truck tires in commerce as commerce is defined in the Federal Trade Commission Act, do forthwith cease and desist:

1. From representing, directly or indirectly, by means of letters, words, figures, markings, insignia or brands appearing in price lists, or on tire wrappings, or on tires, or in any other way, that the automobile and truck tires sold by the respondent contain more plies in their construction than they actually contain;

2. From representing, directly or indirectly, that the construction of respondent's tires or the materials therein contained are other than the actual construction and materials contained in said tires.

It is further ordered, That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

By the Commission.

[SEAL]

OTIS B. JOHNSON, Secretary.

[F. R. Doc. 40-2734; Filed, July 2, 1940; 10:46 a. m.]

[Docket No. 3894]

IN THE MATTER OF BAUER & BLACK

\$36 (a10) Advertising talsely or misleadingly-Comparative data or merits: § 3.6 (b) (2) Advertising falsely or misleadingly-Competitors and their products-Competitors' products: § 3.6 (j10) Advertising falsely or misleadingly—History of product: § 3.6 (t) Advertising falsely or misleadingly-Qualities or properties of product: § 3.6 (x) Advertising falsely or misleadingly-Results: § 3.48 (b) (5) Disparaging competitors and their products - Goods - Performance. Disseminating, etc., in connection with offer, etc., of respondent's "Velure Vanishing Lotion" or, as formerly designated, "Velure Lotion", or any other similar cosmetic preparation, any advertisements by means of the United States mails, or in commerce, or by any means, to induce, etc., directly or indirectly, purchase in commerce, etc., of respondent's said preparation, which advertisements represent, directly or through inference. that such preparation is a new or scientific discovery; that it, when applied to the hands, acts more quickly in softening and beautifying the skin or achieves beneficial results more rapidly than other competitive products; that it penetrates the skin and leaves no artificial coating or stickiness on the skin; that it conserves or supplements the

natural oils of the skin; that it has a lor effect bleaching or whitening effect on the skin, or makes hands shades whiter or lighter; or that it is more economical or effective in use than competitive hand lotions; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Bauer & Black, Docket 3894, June 19, 1940]

IN THE MATTER OF THE KENDALL COM-PANY, A CORPORATION, DOING BUSINESS UNDER THE TRADE NAME OF BAUER & BLACK

ORDER TO CEASE AND DESIST

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 19th day of June, A. D. 1940.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and the answer of respondent, in which answer respondent admits all the material allegations of fact set forth in said complaint, and states that it waives all intervening procedure and further hearing as to said facts, and the Commission having made its findings as to the facts and conclusion that said respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent. The Kendall Company, a corporation, doing business under the trade name of Bauer & Black, or doing business under any other trade name or names, its officers, agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of its cosmetic preparation designated "Velure Vanishing Lotion", formerly designated "Velure Lotion", or any other cosmetic preparation composed of substantially similar ingredients or possessing substantially similar properties, whether sold under the same names or under any other name, do forthwith cease and desist from directly or indirectly:

1. Disseminating or causing to be disseminated any advertisement (a) by means of the United States mails, or (b) by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, which advertisements represent, directly or through inference. that said preparation is a new or scientific discovery; that said preparation, when applied to the hands, acts more quickly in softening and beautifying the skin or achieves beneficial results more rapidly than other competitive products; that said preparation penetrates the skin and leaves no artificial coating or stickiness on the skin; that said preparation conserves or supplements the natural oils of the skin; that said preparation has a bleaching or whitening effect on the skin, or makes hands shades whiter or lighter; that said preparation is more economical

It is ordered, That the respondent, natural oils of the skin; that it has a or effective in use than competitive hand testminster Tire Corporation, a corpo- bleaching or whitening effect on the lotions:

2. Disseminating or causing to be disseminated any advertisement by any means for the purpose of inducing or which is likely to induce, directly or indirectly, the purchase in commerce, as "commerce" is defined in the Federal Trade Commission Act, of said preparation, which advertisements contain any of the representations prohibited in Paragraph 1 hereof.

It is further ordered, That the respondent shall, within sixty (60) days after the service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

By the Commission.

[SEAL]

OTIS B. JOHNSON, Secretary.

[F. R. Doc. 40-2733; Filed, July 2, 1940; 10:45 a.m.]

[Docket No. 4026]

IN THE MATTER OF HENRY BERGMAN

§ 3.6 (1) Advertising falsely or misleadingly-Indorsements and testimonials: § 3.6 (r) (7) Advertising falsely or misleadingly-Prices-Usual as reduced: § 3.6 (t) Advertising falsely or misleadingly-Qualities or properties of product: § 3.6 (x) Advertising falsely or misleadingly-Results: § 3.6 (y10) Advertising falsely or misleadingly-Scientific or other relevant facts: § 3.6 (dd) Advertising falsely or misleadingly-Special offers: § 3.6 (dd10) Advertising falsely or misleadingly-Success, use or standing: § 3.6 (gg) Advertising falsely or misleadingly-Value: § 3.18 Claiming indorsements or testimonials falsely: § 3.72 (g10) Offering deceptive inducements to purchase-Limited offers: § 3.72 (n) Offering deceptive inducements to purchase-Special offers. Representing, in connection with offer, etc., in interstate commerce or in District of Columbia of any instrument or device for locating gold and silver, a booklet known as "Jacob's Rod", so-called fortune telling balls known as "Crystal Balls", metal disks known as "Universal Good Luck Coins", and a list of names and addresses of parties or concerns from which devices used in searching for treasures or minerals can be obtained, that the respondent's gold, silver and treasure locating instrument has any value in searching for gold, silver or hidden treasure or that said instrument or any other instrument will enable one to locate gold, silver or hidden treasure, or, by testimonials, or in any other manner, that persons have located gold, silver or hidden treasure by using the respondent's said instrument; or that a person reading the booklet known as "Jacob's Rod." sold by respondent, will be enabled thereby to ascertain his psychic powers, make his own goldometer, or locate hidden treasure, or that there is any basis,

¹⁵ F.R. 1611.

in fact, for the statement that the directions given in said booklet were practiced by Jacob of old or any other ancient patriarch; or that said booklet is rare or that the price of \$1.00 is any other than the regular price at which respondent sells the same or that the supply of the copies thereof is limited; or that the so-called fortune-telling ball known as "Fortune Telling Crystal Ball", or any other device, foretells the future. or answers questions concerning a person's past, present or future; or that the metal disks known as "Universal Good Luck Coins" possess power that assures success in any undertaking to the person carrying one of said coins; or that a person following "The Seven Rules of Success" furnished by respondent will attain fame and fortune; or that respondent's list of names and addresses from which devices used in searching for gold, silver and buried treasure may be obtained has any value, or that devices which can be procured from any of such concerns are suitable and effective for locating gold, silver, or hidden treasure; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Henry Bergman, Docket 4026, June 19, 1940]

ORDER TO CEASE AND DESIST

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 19th day of June, A. D. 1940.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and the answer of respondent, in which answer respondent admits all the material allegations of fact set forth in said complaint, and states that he waives all intervening procedure and further hearing as to said facts, and the Commission having made its findings as to the facts and conclusion that said respondent has violated the provisions of the Federal Trade Commission Act;

It is ordered, That the respondent, Henry Bergman, his representatives, agents, or employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of any instrument or device for locating gold and silver, a booklet known as "Jacob's Rod", socalled fortune telling balls known as "Crystal Balls", metal disks known as "Universal Good Luck Coins", and a list of names and addresses of parties or concerns from which devices used in searching for treasures or minerals can be obtained, in interstate commerce or in the District of Columbia, do forthwith cease and desist from representing:

(1) That the respondent's gold, silver and treasure locating instrument has any value in searching for gold, silver or hidden treasure or that said instrument or any other instrument will enable one

(2) By testimonials, or in any other manner, that persons have located gold, silver or hidden treasure by using the respondent's said instrument;

(3) That a person reading the booklet known as "Jacob's Rod", sold by respondent, will be enabled thereby to ascertain his psychic powers, make his own goldometer, or locate hidden treasure:

(4) That there is any basis, in fact, for the statement that the directions given in the booklet known as "Jacob's Rod" were practiced by Jacob of old or any other ancient patriarch; that the booklet known as "Jacob's Rod" is rare or that the price of \$1.00 is any other than the regular price at which respondent sells the same or that the supply of the copies thereof is limited:

(5) That the so-called fortune-telling ball known as "Fortune Telling Crystal Ball", or any other device, foretells the future, or answers questions concerning a person's past, present or future:

(6) That the metal disks known as "Universal Good Luck Coins" possess power that assures success in any undertaking to the person carrying one of said

(7) That a person following "The Seven Rules of Success" furnished by respondent will attain fame and fortune:

(8) That the respondent's list of names and addresses from which devices used in searching for gold, silver and buried treasure may be obtained has any value, or that devices which can be procured from any of such concerns are suitable and effective for locating gold, silver, or hidden treasure.

It is further ordered, That the respondent shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which he has complied with this

By the Commission.

[SEAL]

OTIS B. JOHNSON. Secretary.

[F. R. Doc. 40-2735; Filed, July 2, 1940; 10:46 a. m.]

[Docket No. 3761]

IN THE MATTER OF RULO COMPANY ETC.

§ 3.6 (t) Advertising falsely or misleadingly-Qualities or properties of product: § 3.6 (x) Advertising falsely or misleadingly-Results. Representing, directly or by inference, in connection with offer, etc., in commerce among the states and in the District of Columbia, of "Rulo Automatic Injector" automotive device and "Rulo Energy Fluid" automotive lubricant, that use of said device and fluid will (1) effect substantial economies in the operation of an automobile through the lessening of gasoline and oil consumption of the automobile motor, or any substantial saving of gasoline used in the operation of an automobile, or (2) subto locate gold, silver or hidden treasure; stantially increase the power and com-

pression of the automobile motor, or (3) remove carbon from the motor and prevent the formation of carbon therein, or (4) eliminate the necessity of grinding the valves, prevent valves from sticking and seat valves, or (5) prevent the motor from knocking, or that use of said device and fluid, or either of them, will substantially lessen engine friction and attendant engine wear, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Rulo Company etc., Docket 3761, June 22, 1940]

§ 3.6 (m10) Advertising falsely or misleadingly-Manufacture: § 3.6 (n) (2) Advertising falsely or misleadingly-Nature-Product: § 3.6 (t) Advertising talsely or misleadingly—Qualities or properties of product: § 3.6 (x) Advertising falsely or misleadingly-Results. Representing, directly or by inference, in connection with offer, etc., in commerce among the states and in the District of Columbia, of "Rulo Automatic Injector" automotive device and "Rulo Energy Fluid" automotive lubricant, that the use of such device and fluid will prolong the life of the motor, cause the motor to operate smoother and with less heat, prolong the life and seal the rings of the motor, and stop or lessen oil pumping by the motor, or that "Rulo Energy Fluid" is scientifically made from a secret formula, or that use of such fluid removes hard carbon, or that it is a perfect heat-resistant lubricant, or that by the use thereof perfect lubrication in the upper cylinder is assured even when the motor is cold when started, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, Rulo Company etc., Docket 3761, June 22,

IN THE MATTER OF NORMAN D. LOUGHLIN. L. E. RUPPE, BERNAL H. DYAS, RUTH C. HEMSTREET, VOLNEY T. JAMES, AND PAGE H. LAMOREAUX, INDIVIDUALLY AND TRAD-ING AS RULO COMPANY, AND RULO COR-PORATION, A CORPORATION

ORDER TO CEASE AND DESIST

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 22d day of June, A. D. 1940.

This proceeding having been heard1 by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent L. E. Ruppe, testimony and other evidence taken before John J. Keenan, an Examiner of the Commission theretofore duly designated by it, in support of the allegations of the complaint and in opposition thereto, and the answers of respondents Norman D. Loughlin, Volney T. James and Page H. Lamoreaux, individually and trading as Rulo Company, and the answer of the Rulo Corporation, in which answers said respondents admitted all the material allegations of fact set forth in the com-

¹⁴ F.R. 2193

plaint and state that each respondent waives all intervening procedure and further hearing as to said facts, and the Commission having made its findings as to the facts and conclusion that the respondents L. E. Ruppe, Bernal H. Dyas, and Ruth C. Hemstreet have not violated the provisions of the Federal Trade Commission Act and that the said respondents Norman D. Loughlin, Volney T. James and Page H. Lamoreaux, individually and trading as Rulo Company, and Rulo Corporation, a corporation, have violated the provisions of the Federal Trade Commission Act:

It is ordered, That respondents, Norman D. Loughlin, Volney T. James, and Page H. Lamoreaux, individually and trading as Rulo Company, and Rulo Corporation, a corporation, its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution in commerce between and among the states of the United States and in the District of Columbia, of the automative device known as "Rulo Automatic Injector" and the automotive lubricant known as "Rulo Energy Fluid", whether sold under those names or under any other name or names, do forthwith cease and desist from representing, directly or by inference, that

- 1. The use of said device and fluid will effect substantial economies in the operation of an automobile through the lessening of gasoline and oil consumption of the automobile motor;
- 2. The use of such device and fluid will effect any substantial saving of gasoline used in the operation of an automobile;
- 3. The use of such device and fluid will substantially increase the power and compression of the automobile motor;
- 4. The use of such device and fluid will remove carbon from the motor and prevent the formation of carbon therein;
- 5. The use of such device and fluid, or either of them, will substantially lessen engine friction and attendant engine wear:
- 6. The use of such device and fluid will eliminate the necessity of grinding the valves, prevent valves from sticking and seat valves:
- 7. The use of such device and fluid will prevent the motor from knocking;
- 8. By the use of such device and fluid first grade or ethyl gasoline performance can be obtained with gasoline of a lower grade;
- 9. The use of such device and fluid will prolong the life of the motor, will cause the motor to operate smoother and with less heat, will prolong the life and seal the rings of the motor and will stop or lessen oil pumping by the

cally made from a secret formula;

11. The use of such fluid removes hard carbon:

12. Said fluid is a perfect heat-resistant lubricant;

13. By the use of such fluid perfect lubrication in the upper cylinder is assured even when the motor is cold when started.

It is further ordered, That the respondents Norman D. Loughlin, Volney T. James, and Page H. Lamoreaux, individually and trading as Rulo Company, and Rulo Corporation shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they, and each of them, have complied with this order.

It is further ordered, That the complaint herein be, and the same hereby is, dismissed as to the respondents L. E. Ruppe, Bernal H. Dyas and Ruth C. Hemstreet.

By the Commission.

[SEAL]

OTIS B. JOHNSON, Secretary.

[F. R. Doc. 40-2729; Filed, July 2, 1940; 10:44 a. m.]

[Docket No. 3392]

IN THE MATTER OF THE PERFECT RECON-DITION SPARK PLUG COMPANY ET AL.

§ 3.69 (b) (9) Misrepresenting oneself and goods-Goods-Old, secondhand or reconstructed as new-Old and used as unused or new: § 3.71 (c) Neglecting, unfairly or deceptively, to make material disclosure—Old and used as unused or new. Offering for sale, selling or delivering to others for sale to the public, in connection with offer, etc., in interstate commerce or in District of Columbia, of spark plugs, any spark plug which has been used and thereafter reconditioned in any manner unless the word "used" or "secondhand" or "reconditioned", or some other word or words of similar import and meaning, have been permanently stamped or fixed on each of such spark plugs in a color in contrast to the surface to which the word is applied and of a size and in such location as to be clearly legible to the purchasers thereof after the same shall have been installed, and unless there has been plainly printed or marked on the boxes, cartons or other containers in which such spark plugs are sold or offered for sale a notice that said spark plugs are used, second-hand or reconditioned, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U. S. C., Supp. IV, sec. 45b) [Cease and desist order, The Perfect Recondition Spark Plug Company et al., Docket 3392, June 25, 1940]

10. "Rulo Energy Fluid" is scientifi- | In the Matter of Peter Sanders, Harry SANDERS, SAMUEL SANDERS, INDIVIDUALS, Doing Business as The Perfect Recon-DITION SPARK PLUG COMPANY, AND SAM-UEL SANDERS, AN INDIVIDUAL, DOING BUSINESS AS ACE AUTO SUPPLY COMPANY

ORDER TO CEASE AND DESIST

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 25th day of June, A. D. 1940.

This proceeding having been heard 1 by the Federal Trade Commission upon the complaint and the amended and supplemental complaint of the Commission, the answers of respondents Peter Sanders and Harry Sanders, individuals, doing business as The Perfect Recondition Spark Plug Company, and Samuel Sanders, an individual, doing business as Ace Auto Supply Company, testimony and other evidence, in support of the allegations of said complaint and said amended and supplemental complaint and in opposition thereto, briefs filed herein, and oral argument by Joseph C. Fehr, counsel for the Commission, and by John Wilson Hood, counsel for the respondents, and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of the Federal Trade Commission Act;

It is ordered, That the respondents, Peter Sanders and Harry Sanders, individuals, doing business as The Perfect Recondition Spark Plug Company, and Samuel Sanders, an individual, doing business as Ace Auto Supply Company, their representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of spark plugs in interstate or foreign commerce or in the District of Columbia, do forthwith cease and desist

Offering for sale, selling or delivering to others for sale to the public, any spark plug which has been used and thereafter reconditioned in any manner unless the word "used" or "second-hand" or "reconditioned," or some other word or words of similar import and meaning, have been permanently stamped or fixed on each of such spark plugs in a color in contrast to the surface to which the word is applied and of a size and in such location as to be clearly legible to the purchasers thereof after the same shall have been installed, and unless there has been plainly printed or marked on the boxes, cartons or other containers in which such spark plugs are sold or offered for sale a notice that said spark plugs are used, second-hand or reconditioned.

It is further ordered, That the respondents shall, within sixty (60) days

¹³ F.R. 1421.

after service upon them of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with this order.

By the Commission.

[SEAL]

OTIS B. JOHNSON, Secretary.

[F. R. Doc. 40-2728; Filed, July 2, 1940; 10:44 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

CHAPTER I—VETERANS' ADMINISTRATION

DISALLOWANCE AND AWARDS 1

§ 3.1300 Military and naval retirement pay. The receipt of military or naval retirement pay, including retainer pay as a transferred member of the Fleet Reserve, may be waived in order to receive payments of disability com-pensation or pension. Where a claim for disability compensation or pension is filed by a retired officer or enlisted man in receipt of retirement pay, such claim will be fully developed and adjudicated to the point where it may be ascertained what pecuniary benefits are payable. If the applicant is entitled to compensation or pension he will be duly informed of this fact and requested to make an election between the two benefits. Upon receipt of notice from the respective service department of the discontinuance of retirement pay the veteran may be awarded the difference between the compensation or pension and the retirement pay for the period from the filing of the claim or date of entitlement through the date of last payment of the retired pay and may thereafter receive the full amount of compensation or pension. (Solicitor's Opinions of April 11, and May 6, 1940.) (July 3, 1940.) [52 Stat. 1175-1186: 34 U.S.C. 853-8561

[SEAL]

FRANK T. HINES, Administrator.

[F. R. Doc. 40-2723; Filed, July 1, 1940; 3:18 p. m.]

Notices

DEPARTMENT OF THE INTERIOR.

Bituminous Coal Division.

[Order No. 299]

FILING OF CERTAIN INVOICES, MEMORANDA, ETC.

POSTPONING EFFECTIVE DATE OF ORDER NO. 295 FROM JULY 1, 1940 TO AUGUST 1, 1940, AND AMENDING SECTION XI THEREOF BY CHANGING THE REVOCATION DATE OF ORDER NO. 156 FROM JULY 1, 1940 TO AUGUST 1, 1940

Pursuant to the provisions of the Bituminous Coal Act of 1937,

It is ordered, That:

1. The effective date of Order No. 295,' dated June 14, 1940, be and is hereby postponed from July 1, 1940, to August 1, 1940.

2. Section XI of said Order No. 295 be and is hereby amended by striking therefrom after the word "until" in the second line thereof, the word and figure "July 1" and inserting in lieu thereof the word and figure "August 1".

Dated, June 29, 1940.

[SEAL]

H. A. GRAY, Director.

[F. R. Doc. 40-2724; Filed, July 1, 1940; 3:21 p. m.]

DEPARTMENT OF AGRICULTURE.

Farm Security Administration.

DESIGNATION OF COUNTIES FOR TENANT PURCHASE LOANS

MASSACHUSETTS

JULY 1, 1940.

Pursuant to the provisions of Title I of the Bankhead-Jones Farm Tenant Act, and Section II 3 of Administration Order 230 of the Farm Security Administration, issued thereunder, and upon the basis of the recommendation of the Massachusetts State Farm Security Advisory Committee, the following counties are hereby designated as those in which loans, pursuant to said Title, may be made under the provisions of said Order for the fiscal year ending June 30, 1941: (1) those counties which were designated for the making of loans for the fiscal year ending June 30, 1940; and (2) the following additional counties:

> Essex Middlesex

[SEAL]

H. A. WALLACE, Secretary of Agriculture.

[F. R. Doc. 40-2722; Filed, July 1, 1940; 2:33 p. m.]

DESIGNATION OF COUNTIES FOR TENANT PURCHASE LOANS

KENTUCKY

JULY 1, 1940.

Pursuant to the provisions of Title I of the Bankhead-Jones Farm Tenant Act, and Section II 3 of Administration Order 230 of the Farm Security Administration, issued thereunder, and upon the basis of the recommendation of the Kentucky State Farm Security Advisory Committee, the following counties are hereby designated as those in which loans, pursuant to said Title, may be made under the provisions of said Order for the fiscal year ending June 30, 1941:

(1) those counties which were designated for the making of loans for the fiscal

year ending June 30, 1940; and (2) the following additional counties:

Fayette, Woodford, Bourbon, Montgomery, Oldham, Jefferson, Scott, Boyle, Mercer, Spencer, Fulton, Kenton, Boone, Simpson, Christian, Garrard, Campbell, Marion, Carroll, Hickman, Trimble, Robertson, Larue, Anderson, and Bullitt.

[SEAL]

H. A. WALLACE, Secretary of Agriculture.

[F. R. Doc. 40-2727; Filed, July 2, 1940; 10:00 a. m.]

CIVIL AERONAUTICS AUTHORITY.

[Docket No. 148]

IN THE MATTER OF THE APPLICATION OF NEW YORK AND BERMUDIAN AIR LINE FOR A CERTIFICATE OF PUBLIC CONVEN-IENCE AND NECESSITY UNDER SECTION 401 OF THE CIVIL AERONAUTICS ACT OF 1938

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceeding, being the application of New York and Bermudian Air Line for a certificate of public convenience and necessity authorizing air transportation between Newark, New Jersey, and the Island of Bermuda, now assigned for public hearing on July 29, 1940, 1 is hereby postponed to October 1, 1940, 10 o'clock a. m. (Eastern Standard Time) at the Raleigh Hotel, 12th Street and Pennsylvania Ave. NW., Washington, D. C., before Examiner Frank P. McIntyre.

Dated Washington, D. C., June 29, 1940.

[SEAL]

Frank P. McIntyre, Examiner.

[F. R. Doc. 40-2737; Filed, July 2, 1940; 11:28 a. m.]

SECURITIES AND EXCHANGE COM-

[File No. 54-21]

IN THE MATTER OF ASSOCIATED UTILITIES CORPORATION, ASSOCIATED INVESTING CORPORATION, AND ASSOCIATED REAL PROPERTIES, INC.

ORDER CONSENTING TO WITHDRAWAL OF PORTION OF APPLICATION UNDER THE PUB-LIC UTILITY HOLDING COMPANY ACT OF 1935 PURSUANT TO REQUEST OF APPLI-CANTS

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 27th day of June, A. D. 1940.

Associated Utilities Corporation and Associated Real Properties, Inc., having filed a request to withdraw that portion of the above matter relating to the acquisition of all the assets of Associated Real Properties, Inc., and the assump-

¹ Revision of § 3.1300.

¹5 F.R. 2243.

¹5 F.R. 1424.

tion of its liabilities by Associated Util-

The Commission consents to such withdrawal and to that effect

It is so ordered. By the Commission.

[SEAL]

FRANCIS P. BRASSOR, Secretary.

[F. R. Doc. 40-2716; Filed, July 1, 1940; 12:04 p. m.]

File No. 70-85

IN THE MATTER OF STANDARD POWER AND LIGHT CORPORATION

ORDER APPROVING APPLICATION

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 27th day of June, A. D. 1940.

An application having been filed by Standard Power and Light Corporation pursuant to Rule U-12C-1, promulgated pursuant to section 12 (c) of the Public Utility Holding Company Act of 1935 for our approval of its acquisition for retirement of 330,000 shares of its Common Stock, Series B, from H. M. Byllesby and Company, in accordance with the terms of a contract incorporated in said application, or, in the alternative, for our approval of said acquisition without the execution of said contract: the Commission having considered said application also as a declaration pursuant to Section 6 (a) (2) of the Public Utility Holding Company Act of 1935;

Public hearings' having been held thereon after appropriate notice; the record having been duly examined; and the Commission having made and filed its findings herein;

It is ordered, That said application be and it hereby is approved; and

It is further ordered, That said application, as a declaration, be, and it hereby is permitted to become effective;

Provided, And this order is entered upon the following express condition: That the Commission reserves jurisdiction to pass upon the accounting entries to be made by Standard Power and Light Corporation in connection with the proposed acquisition and retirement of the above shares.

By the Commission.

FRANCIS P. BRASSOR, Secretary.

[F. R. Doc. 40-2717; Filed, July 1, 1940; 12:04 p. m.]

[File No. 70-101]

IN THE MATTER OF THE CLEVELAND ELEC-TRIC ILLUMINATING COMPANY

NOTICE OF AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 28th day of June, A. D. 1940.

An application pursuant to the Public company, has filed a declaration on Utility Holding Company Act of 1935, having been duly filed with this Commission by the above-named party; company, has filed a declaration on Form U-1, the declarant stating that it considers Section 12 (b) of the Public Utility Holding Company Act and Rule

It is ordered, That a hearing on such matter under the applicable provisions of said Act and the rules of the Commission thereunder be held on July 18th, 1940, at 10 o'clock in the forenoon of that day, at the Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C. On such day the hearing-room clerk in room 1102 will advise as to the room where such hearing will be held. At such hearing, if in respect of any declaration, cause shall be shown why such declaration shall become effective.

It is further ordered, That Charles S. Lobingier or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearings in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a trial examiner under the Commission's Rules of Practice.

Notice of such hearing is hereby given to such declarant or applicant and to any other person whose participation in such proceeding may be in the public interest or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party to such proceeding shall file a notice to that effect with the Commission on or before July 13th, 1940.

The matter concerned herewith is in regard to the proposed issuance and sale by the applicant of First Mortgage Bonds, 3% Series Due 1970, in the principal amount of \$50,000,000, the proceeds to be used for the redemption of the applicant's First Mortgage Bonds, 3¾% Series due 1965, presently outstanding in the principal amount of \$40,000,000, in the construction of a new generating unit and additional boiler capacity at an estimated cost of \$6,300,000 and for other corporate purposes.

It is stated that it is proposed that said bonds shall be sold through underwriters, upon terms and conditions to be stated by amendment to the application.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, Secretary.

[F. R. Doc. 40-2719; Filed, July 1, 1940; 12:04 p. m.]

File No. 70-102

IN THE MATTER OF WEST PENN POWER
COMPANY

NOTICE OF FILING OF DECLARATION

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 28th day of June, A. D. 1940.

Notice is hereby given that West Penn Power Company, a registered holding

Form U-1, the declarant stating that it considers Section 12 (b) of the Public Utility Holding Company Act and Rule U-12B-1 promulgated thereunder as applicable to the proposed transaction, relating to a loan on open account in the sum of \$69,506.09, proposed to be made by said West Penn Power Company to its wholly owned subsidiary, Allegheny Pittsburgh Coal Company. The declaration states that the funds so loaned will be used by Allegheny Pittsburgh Coal Company for its use in paying for the construction of an additional air shaft at the mine of Allegheny Pittsburgh Coal Company which is located directly across the Allegheny River from the Springdale Power Station of the declarant. The declaration states that the open account loan is to bear interest at the rate of 5% per annum and is necessary because the coal company operates on a nonprofit basis and must therefore obtain loans from time to time in order to construct additions, betterments and improvements. The declaration further states that the transaction was approved, as required by the Public Utility Law of Pennsylvania, by the Pennsylvania Public Utility Commission on October 23.

West Penn Power Company, the declarant, has requested that the Commission permit such declaration to become effective as promptly as possible after the date of the filing of the declaration.

Pursuant to the provisions of Rule U-12B-1 said declaration will become effective on the 17th day of July 1940. or on the twentieth day after the filing of the last amendment to such declaration, should any further amendments be filed, unless prior thereto the Commission shall issue an order for hearing on such declaration, or unless the declarant designates a later date in any amendment to said declaration or in written or telegraphic notice to the Commission. or unless the Commission shall grant the aforesaid request of said declarant and permit such declaration to become effective earlier than the 17th day of July 1940

Notice is hereby given to States, State commission, State securities commissions, municipalities, and other political subdivisions of a State, to consumers and security holders, to representatives of consumers or of security holders, and to all other persons, of the filing of the aforesaid declaration, and any request that a hearing be held with respect to said declaration, shall be filed with the Commission not later than July 8, 1940. Any such request for hearing shall include a statement of reasons why such hearing is requested.

Pursuant to the direction of the Commission.

[SEAL] Francis P. Brassor, Secretary,

[F. R. Doc. 40-2718; Filed, July 1, 1940; 12:04 p. m.]

¹⁵ F.R. 2249.

[File No. 70-97]

IN THE MATTER OF CENTRAL U. S. UTILITIES COMPANY

NOTICE OF FILING OF DECLARATION

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 29th day of June, A. D. 1940.

Notice is hereby given that Central U. S. Utilities Company, a registered holding company, has filed a declaration with this Commission pursuant to Rule U-12B-1 promulgated under the Public Utility Holding Company Act of 1935, regarding a proposed \$10,000 cash advance on open account to Associated Maryland Electric Power Corporation, a wholly-owned subsidiary company, such indebtedness to bear interest at the rate of 6% per annum, only to the extent earned within the calendar year. Said Declaration states that the proposed transaction will provide funds to Associated Maryland Electric Power Corporation to make necessary additions, betterments and extensions of its electric distribution facilities.

Said Central U. S. Utilities Company has requested that the Commission permit such declaration to become effective on the 10th day of July 1940. Pursuant to the provisions of Rule U-12B-1 said declaration will become effective on the 12th day of July 1940, unless prior to that date the Commission shall issue an order for hearing on such declaration, or unless the Commission shall grant the aforesaid request of said declarant and permit such declaration to become effective on the 10th day of July 1940, or unless such effective date is otherwise delayed in accordance with the provisions of said rule.

Notice is given to States, State commissions, State securities commissions, municipalities, and other political subdivisions of a State, to consumers and security holders, and to representatives of consumers or of security holders and to all other persons, of the filing of the aforesaid declaration, and any request that a hearing be held with respect to said declaration shall be filed with the Commission not later than July 3, 1940. Any such request for hearing shall include a statement of reasons why such hearing is requested.

Pursuant to direction of the Commission.

[SEAL]

FRANCIS P. BRASSOR. Secretary.

[F. R. Doc. 40-2720; Filed, July 1, 1940; 12:05 p. m.]

[File No. 30-18]

IN THE MATTER OF LEE BARROLL, GERALD P. KYNETT, HERBERT L. NICHOLS, HER-BERT S. WELSH, BASIL GAVIN, VOTING TRUSTEES UNDER VOTING TRUST AGREE-MENT DATED JANUARY 1, 1935 FOR CLASS Company, a registered holding company, ket quotations for said debentures

UTILITIES CORPORATION.

NOTICE OF AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 1st day of July, A. D. 1940.

An application pursuant to the Public Utility Holding Company Act of 1935, having been duly filed with this Commission by the above-named parties;

It is ordered, That a hearing on such matter under the applicable provisions of said Act and the rules of the Commission thereunder be held on July 24, 1940, at 9:45 o'clock in the forenoon of that day, at the Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C. On such day the hearing-room clerk in room 1102 will advise as to the room where such hearing will be held. At such hearing, if in respect of any declaration, cause shall be shown why such declaration shall become effective.

It is further ordered, That Charles S. Lobingier or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearings in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a trial examiner under the Commission's Rules of Practice.

Notice of such hearing is hereby given to such declarant or applicant and to any other person whose participation in such proceeding may be in the public interest or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party to such proceeding shall file a notice to that effect with the Commission on or before July 19, 1940,

The matter concerned herewith is in regard to an application for an order pursuant to Section 5 (d) of the Public Utility Holding Company Act of 1935 that the above-named persons have ceased to be a holding company.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR. Secretary.

[F. R. Doc. 40-2721; Filed, July 1, 1940; 12:05 p. m.]

[File No. 70-56]

IN THE MATTER OF NORTH AMERICAN GAS AND ELECTRIC COMPANY

ORDER APPROVING APPLICATION

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C. on the 26th day of June, A. D. 1940.

North American Gas and Electric

A COMMON STOCK OF UNITED PUBLIC | having filed an application pursuant to Rule U-12C-1 promulgated under section 12 (c) of the Public Utility Holding Company Act of 1935, seeking approval of the acquisition for retirement of its 6% Cumulative Income Debentures by invitations for tenders; a public hearing having been held after appropriate notice and the Commission having made and filed its findings and opinion herein:

It is ordered, That said application be approved to the extent of an expenditure of \$10,050.71, solicitation for which was proposed to commence in July, 1940;

It is further ordered, That such approval be subject to the following conditions:

(1) That no tenders be accepted at a price in excess of \$40 per hundred dollars face amount of said debentures:

(2) That no tenders be accepted from any officer or director of the company. from any partner or member of the family of any such officer or director, or from any person, firm or corporation in which such officer or director has an interest exceeding 10% of the voting control either (a) at any price exceeding one point above the price paid by such person (including members of his family) for such debentures in any purchase within the last six months; or (b) in cases where debentures have been purchased at different times during the aforesaid six months' period at a price exceeding one point above the average price of such purchases; or (c) in cases where no debentures have been purchased by such person (including members of his family) during the aforesaid six months' period at a price exceeding one point above the average cost at which such debentures were acquired by such person;

(3) That no tenders be accepted unless the person tendering shall file with the company a sworn statement setting forth the beneficial owner of the securities tendered; the interest, if any, in such securities of any officer or director of the company; the dates when and the prices at which such securities were purchased;

(4) That the solicitation material addressed to the security holders inviting tenders shall include in addition to the matters of the character set forth in Exhibit H of the application heretofore filed a statement showing the direct or indirect holdings of each officer or director of the company and of partners and members of the families of such directors and officers, and of any persons, firms or corporations in which such directors or officers have an interest exceeding 10% of voting control; such statement shall also include the amounts of debentures previously tendered by any of such persons at each of the last six tender dates and the prices at which such tenders were made; such statement shall also set forth marshowing high and low quotations for each of the last three months;

- (5) That copies of all material to be used in the solicitation of tenders be filed with this Commission at least 10 days prior to the date set for acceptance of said tenders.
- (6) That within 10 days after the acceptance of tenders the company file with this Commission a certificate of notification setting forth the tenders made, the persons making such tenders, the beneficial owners of the securities tendered, the amounts and prices at which such tenders were made, the prices at which such persons purchased such securities and the dates of such purchases and the amounts and prices at which tenders have been accepted;
- (7) That in all other respects the transactions be carried out substantially in accordance with the terms of and for the purposes represented by said application.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, Secretary.

[F. R. Doc. 40-2740; Filed, July 2, 1940; 11:41 a. m.]

[File No. 70-641

IN THE MATTER OF AMERICAN UTILITIES [F. R. Doc. 40-2742; Filed, July 2, 1940; SERVICE CORPORATION

ORDER APPROVING APPLICATION

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C. on the 26th day of June, A. D. 1940.

American Utilities Service Corporation, a registered holding company, having filed an application pursuant to Section 12 (d) of the Public Utility Holding Company Act of 1935 and Rule U-12D-1 promulgated thereunder, for approval of a proposed sale of all the outstanding securities of Petoskey Gas Company, consisting of 15,000 shares of \$10 par value common capital stock and a \$23,500 unsecured 6% promissory income note due November 1, 1965, to V. W. Packard, C. Fredrick Curtis and T. Chalmers Curtis for the sum of \$50,000 in cash and interest from January 1, 1940 on the aforementioned note;

A public hearing having been held on such application as amended, after appropriate notice; the Commission having considered the record in this matter, and having made and filed its findings herein;

It is ordered, That such application as amended be approved.

By the Commission.

[SEAL]

Francis P. Brassor, Secretary.

[F. R. Doc. 40-2743; Filed July 2, 1940; 11:42 a. m.]

[File No. 8-1]

IN THE MATTER OF JOSEPH LEDONE, LAKE-VIEW DRIVE, LAKE INTERVALE-PARSIP-PANY, TROY MILLS, NEW JERSEY

ORDER DISMISSING PROCEEDING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 27th day of June, A. D. 1940.

The Commission having ordered a hearing to determine whether the application of Joseph LeDone for registration as a broker-dealer under section 15 (b) of the Securities Exchange Act of 1934 should be denied or its effectiveness postponed pending final determination upon the question of denial; and

The Commission having this day made and filed its Findings and Opinion in the matter;

It is ordered, Pursuant to Section 15 (b) of the Securities Exchange Act of 1934, that said application of Joseph LeDone for registration as a broker-dealer shall be deemed effective forthwith, and that the proceeding on the question of denial or postponement of the effectiveness of said application be, and the same is, hereby dismissed.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, Secretary.

11:42 a. m.]

[File No. 54-21]

IN THE MATTER OF ASSOCIATED UTILITIES CORPORATION: ASSOCIATED INVESTING CORPORATION

ORDER APPROVING APPLICATION

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 27th day of June, A. D. 1940.

Associated Utilities Corporation and its wholly owned subsidiary, Associated Investing Corporation, having filed an application and amendments thereto pursuant to the Public Utility Holding Company Act of 1935 regarding the acquisition of all the assets of Associated Investing Corporation and the assumption of its liabilities by Associated Utilities Corporation, all of the capital stock and indebtedness of the subsidiary owned by Associated Utilities Corporation to be surrendered for cancellation;

A public hearing having been duly held after appropriate notice, the Commission having examined the record in the matter, and filed its findings and opinion herein:

It is ordered, That the said application be and the same hereby is approved pursuant to Sections 7 and 10 of the Act, and Rules U-12C-1 and U-12F-1, promulgated under Section 12 of the Act.

It is further ordered, That jurisdiction be and hereby is retained as to the values at which the assets acquired are to be recorded on the books of Associated Utilities Corporation.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, Secretary.

[F. R. Doc. 40-2741; Filed, July 2, 1940; 11:42 a. m.]

[File No. 70-69]

IN THE MATTER OF WASHINGTON RAILWAY AND ELECTRIC COMPANY

ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 27th day of June, A. D. 1940.

Washington Railway and Electric Company, a registered holding company and a subsidiary of The North American Company, also a registered holding company, having filed a declaration pursuant to Section 7 of the Public Utility Holding Company Act of 1935 regarding the guaranty by said Washington Railway and Electric Company of an assumption by its subsidiary, Capital Transit Company, of certain first mortgage bonds in the maximum aggregate principal amount of \$3,439,000, originally issued, in part, by The Anacostia and Potomac River Rail Road Company of Washington, D. C., and, in part, by City and Suburban Railway of Washington, which bonds are secured by liens upon properties presently owned by said Capital Transit Company;

A public hearing having been held upon said declaration, after appropriate notice, and the Commission having considered the record and made its findings herein;

It is ordered, That said declaration be, and the same is hereby permitted to become effective forthwith, subject, however, to the following conditions:

- (1) That, the proposed issue and sale be effected in all respects in accordance with the terms and conditions of, and for the purposes represented by the declaration filed herein;
- (2) That, within ten days after the consummation of the transactions hereby authorized, Washington Railway and Electric Company shall file with this Commission a certificate of notification showing that said transactions have been effected in accordance with the terms and conditions of and for the purposes represented by said declaration; and
- (3) That, when all expenses incurred in connection with the issuance and sale of the securities and the preparation and prosecution of the declaration concerned with the present transaction shall be actually paid, Washington Railway and Electric Company shall file a detailed

statement of such expenses showing the names of persons or entities to whom such payments were made, the amounts of such payments, the accounts charged and a detailed description of the services rendered for which such payments were made.

By the Commission, Commissioner Henderson being absent and not participating.

[SEAL]

FRANCIS P. BRASSOR, Secretary.

[F. R. Doc. 40-2739; Filed, July 2, 1940; 11:41 a. m.]

[File No. 16-1A1-1]

IN THE MATTER OF THE APPLICATION OF J. A. SISTO & CO. FOR APPROVAL OF ITS APPLICATION FOR MEMBERSHIP IN THE NATIONAL ASSOCIATION OF SECURITIES FOR AN ORDER DIRECTING THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. TO ADMIT J. A. SISTO & CO. TO MEMBERSHIP IN SUCH ASSOCIATION

ORDER DENYING APPLICATION FOR AN ORDER APPROVING OR DIRECTING ADMISSION TO MEMBERSHIP IN A NATIONAL SECURITIES ASSOCIATION

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 1st day of July, A. D. 1940.

J. A. Sisto & Co. having made application, pursuant to section 15A (b) (4) of the Securities Exchange Act of 1934, for an order approving or directing its admission to membership in the National Association of Securities Dealers, Inc., a national securities association registered under Section 15A of the said Act; the matter, after appropriate notice, having come on for hearing and Dealers, Inc., or in the Alternative argument; the Commission finding,

upon due consideration of the matter. that Joseph A. Sisto, a member of J. A. Sisto & Co., has been expelled from the New York Stock Exchange for conduct inconsistent with just and equitable principles of trade and has in fact been guilty of such conduct; and the Commission being unable to find that the order requested would be appropriate in the public interest under the said Section 15A (b) (4), all as more fully set forth in the Findings and Opinion of the Commission this day issued;

It is ordered, That the said application of J. A. Sisto & Co. for an order approving or directing its admission to membership in the National Association of Securities Dealers, Inc. be, and it

hereby is, denied.

By direction of the Commission.

[SEAL] FRANCIS P. BRASSOR, Secretary.

[F. R. Doc. 40-2738; Filed, July 2, 1940; 11:41 a.m.]